GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:300
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WORLD ECONOMIC FORUM
GADDE RAMAMOHAN;M.V.V.S MURTHI;SHANKAR PRASAD JAISWAL;SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of FINANCE be pleased to state:

(a) Whether an Indian delegation led by Union Finance Ministerparticipated in Global Economic Outlook Session at the World Economic Forum in New York;

(b) If so, the details in this regard;

(c) the detailed discussion held with the points raised by Indian delegation; and

(d) the outcome thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL)

(a) & (b): The Union Finance Minister Shri Yashwant Sinha was part of a plenarysession on the global economic outlook at the World Economic Forum in New York on February 2, 2002. The Finance Minister was the sole developing country representative on the panel. The other panelists were: Kenneth W Dam (Deputy Secretary ofthe US Treasury), Laurent Fabius (French Finance Minister), Horst Kohler (Managing Director of the International MonetaryFund), Heizo Takenaka (Japanese Minister for Economic andFiscal Policy) and Paul Krugman (Professor of Economics at Yale University).

(c) & (d) : During the deliberations, the Finance Ministerreferred to two aspects of the global economic slowdown and the Indian response to them. First, he emphasised the need for coordinated global responses given the correlations between the downturn in GDP growth across most countries of the world. Second, he reflected upon the disproportionate impact of global slowdown on income and human welfare in the Third World and urged the developed world to improve market access for developing country exports. He referred to the difficulties being faced by Indian steel exports due to protectionist measures and the problems faced by Indian agricultural exports due to agricultural subsidies in advanced countries. The Finance Minister`s viewswere strongly supported by Horst Kohler (Managing Director of the International Monetary Fund).